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# AGRICULTURAL COOPERATION

May 18, 1929

Vol. VII, No. 10.

## RETURN OF CAPITAL INVESTED IN COOPERATIVE

Certificates of indebtedness, issued in 1924 by the Dairymen's League Cooperative Association, Inc., New York City, amounting to more than one and one-half million dollars, were redeemed as of May 1, 1929. Interest payments were also made on these certificates and on subsequent issues. The total amount for distribution was \$2,288,136, of which \$1,626,434 was for outstanding certificates of Series C, and \$661,702 for interest due on Series C, D, E, AA, and BB.

The C certificates, which originally amounted to \$2,562,-716, were issued to cover deductions made from milk checks for the 1923-24 association year.

Series A certificates, covering deductions of about \$4,500,000 made in the 1921-22 year, were redeemed in 1927; and B certificates, covering deductions of about \$4,600,000 for the 1922-23 year, were redeemed in 1928. Certificates run for five years and bear 6 per cent interest.

It is a significant fact that 58 per cent of the A certificates were presented for redemption prior to the date they were due; that 54 per cent of the B certificates were presented for advance payment; and that only 36 per cent of the C certificates were cashed in advance of maturity date, although the association stood ready to take them at par with accrued interest. The management believes that they were held because of their value as an investment.

LEGAL, ECONOMIC, AND ORGANIZATION INFORMATION  
COLLECTED BY THE DIVISION OF COOPERATIVE MARKETING  
BUREAU OF AGRICULTURAL ECONOMICS  
UNITED STATES DEPARTMENT OF AGRICULTURE  
WASHINGTON, D.C.

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## FIRST POUND OF BUTTER BRINGS GOOD PRICE

Dairy farmers in the vicinity of La Moure, N. Dak., recently organized the La Moure Farmers' Cooperative Creamery and took over a privately owned plant. In carrying out their plans they were encouraged and assisted by the business men of the city. At the formal opening of the creamery the first pound of butter produced was offered for sale at auction and was purchased by the La Moure Community Club for \$160. Later it was presented to the Governor of the State. The new creamery association is affiliated with the Land O'Lakes Creameries, Inc., Minneapolis, Minn.

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## WASHINGTON COOPERATIVE MANUFACTURES MILK POWDER

Sales of dairy products in 1928 were the largest in the history of the Lewis-Pacific Dairymen's Association, Chehalis, Wash. Total sales, which included eggs, feeds, seeds, fertilizers, etc., amounted to \$1,452,-455.

A larger quantity of raw material, whole milk and cream, was received than in any of the three preceding years. The output of butter was smaller in 1928 than in 1927, a larger quantity of cheese was made, and a slightly smaller quantity of milk powder. About the same quantity of sweet cream was sold in 1928 as in the preceding year, and more than three times the quantity of whole milk. Receipts of raw material and sales for the years beginning with 1921 and continuing through 1928, are as follows:

Year	Whole milk (Pounds)	Cream* (Pounds)	Sales of dairy products	Sales of feed
1921	20,023,601	120,532	\$439,000	-----
1922	21,501,146	255,943	635,776	-----
1923	24,624,124	316,517	907,991	-----
1924	30,501,411	259,826	902,634	-----
1925	23,029,272	271,020	860,764	-----
1926	23,160,053	309,864	847,155	-----
1927	23,343,535	331,584	928,645	# \$112,563
1928	24,008,582	344,137	993,695	## 458,760

\* Butterfat in farm-separated cream.

# Four months.

## Includes egg sales of \$12,896.

Figures are also available for quantities of butter, cheese and milk powder made and for quantities of sweet cream and whole milk sold:

Year	Butter made (Pounds)	Cheese made (Pounds)	Milk powder made (Pounds)	Sweet cream sold* (Pounds)	Whole milk sold# (Pounds)
1924	1,376,736	256,411	1,824,174	164,189	8,506
1925	982,889	327,482	1,274,404	182,278	7,652
1926	1,165,933	232,886	1,422,100	129,399	4,056
1927	1,234,714	234,935	1,650,212	149,131	5,788
1928	1,272,260	270,303	1,601,043	148,168	23,405

\* Butterfat in cream.

# Butterfat in whole milk.

This cooperative enterprise was organized in 1919 and is now serving more than 1,000 members. In addition to making butter, cheese and milk powder, and selling sweet cream and whole milk, the association is handling supplies for its members, manufacturing feed, cleaning and grinding grain, selling hay and straw, also flour, sugar, salt and seeds. Eggs to the value of \$12,896 were sold last year for members.

Net earnings for the year permitted the payment of dividends of 6 per cent on preferred stock, the payment of patronage dividends of 5 cents per cwt. on milk, and 1 cent a pound on butterfat in farm-separated cream.

A patronage refund of 4 per cent was also made on all purchases since the establishment of the feed department in September of 1927 to the close of 1928. There was a gain in membership in 1928 of 118.

The net worth of the association at the close of the year was \$317,052, including a surplus of \$44,822.

A THIRTY-THREE-YEAR-OLD COOPERATIVE CREAMERY

For thirty-three years the Nelsonville Creamery and Cheese Association, Nelsonville, Wis., has been serving dairy farmers. During recent years it has made more than a half million pounds of butter annually. The output of the association for 1928 was 701,015 pounds of butter and in addition it sold 10,818 pounds of cream. Butter sales amounted to \$325,203 and milk and cream sales to \$2,275. Sales of coal came to \$651 and sales of supplies to \$250. The cost of making butter was 2.39 cents a pound. The average number of patrons last year was 304.

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ASSOCIATION MARKETS BUTTER, GRAIN AND LIVESTOCK

The Equity Cooperative Creamery, Milling and Shipping Association, Wadena, Minn., is making butter, buying farm supplies for its members, shipping livestock, potatoes and grain, and operating a feed mill.

Cream receipts in 1928 amounted to 1,087,058 pounds. Butter made totaled 396,134 pounds, and livestock with an f.o.b. value of \$116,-881 was shipped. Sales of supplies amounted to \$134,083, and the grinding of feed brought in \$2,654. At the close of 1928 the fixed assets amounted to \$51,714, there was outstanding share capital of \$37,860 and a surplus of \$23,506.

The quantity of butter made was larger in 1928 than in 1927 but nearly 100,000 pounds less than in 1924, the peak year.

The figures picturing the activity of the enterprise are as follows:

Year	Butter made (Pounds)	Dairy products sales	Sales of supplies	Livestock sales	Potato and grain sales
1919	326,000	\$182,586	-----	-----	-----
1920	296,254	168,223	\$107,159	\$126,299	\$123,147
1921	383,684	133,172	23,542	73,813	58,224
1922	440,247	162,569	10,903	85,207	3,333
1923	449,363	196,634	93,810	88,044	4,257
1924	495,057	197,333	31,516	111,047	3,085
1925	443,713	191,418	21,157	139,578	759
1926	-----	-----	-----	-----	-----
1927	339,568	159,403	139,793	99,925	1,215
1928	396,134	188,111	134,083	116,881	2,502

CINCINNATI MILK ASSOCIATION REACHING ITS GOAL

"The most successful year since our association was founded," reported the secretary of the Cooperative Pure Milk Association, Cincinnati, Ohio, at the recent annual meeting. He continued, "Steadily and surely we are reaching the goal we set six years ago . . . . Each year finds us on a sounder footing financially and in rendering service to our members."

Members of the association delivered 75,707,651 pounds of milk during 1928, for which they received \$2,022,583. As the French Bros.-Bauer Company, the share capital of which is being purchased by the cooperative, earned more than the guaranteed dividend of 7 per cent, the members received an additional 10 cents per 100 pounds on all milk delivered. This was added to their credits for certificates of indebtedness. The average price received for all milk of all grades was \$2.771 per 100 pounds, or 8.29 cents more than in 1927.

The volume of business handled during the last five years is indicated by the following figures:

Year ending March 31	Milk delivered by members Pounds	Value	Members' equity*
1924-25	109,327,018	\$2,445,830	\$ 705,778
1925-26	94,006,858	2,333,997	905,075
1926-27	85,079,969	2,185,720	1,069,268
1927-28	85,036,098	2,286,379	1,277,153
1928-29	75,707,651	2,022,583	1,438,635

\* Largely covered by certificates of indebtedness.

Coupon No. 6, providing for the first one-fifth repayment of principal was redeemed. This amounted to \$46,056, and with interest of \$62,191 on outstanding certificates made a sum of \$108,247 paid to members.

The association purchased 975 additional shares of the French Bros.-Bauer Company's deposited stock. Net assets on December 31, 1928, totaled \$1,438,635, an increase of \$161,482 in nine months.

By means of a new agreement with the French Bros.-Bauer Company, made on December 20, 1928, the time for payment of the common stock of that organization was extended for ten years and no payment on the stock need be made for three years. This arrangement is considered advantageous to the association as it is expected to release funds for the expansion of the business.

MICHIGAN COOPERATIVE SERVES MANY DAIRYMEN

Since its organization in 1913, the Farmers' Cooperative Creamery, Saranac, Mich., has increased its annual business from about \$50,000 to about \$200,000. The number of patrons served has ranged from about 250 to 400. In 1928 the creamery company received a total of 950,649 pounds of cream and made 357,587 pounds of butter which sold for \$169,515. In addition the company sold supplies to the value of \$721.

In 1921 and 1922 the cost of making butter was 1.7 cents a pound and in 1923 it was 1.6 cents. In 1925 it was 2.5 cents, in 1926, 2.3 cents, and in 1927, 2.2 cents.

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MICHIGAN CREAMERY HAD A SMALL BEGINNING

About 25 farmers in the vicinity of Ravenna, Mich., organized the Ravenna Incorporated Butter Company in 1914. Although share capital to the amount of \$6,000 was authorized, less than \$5,000 was issued the first year. However, a start was made toward accumulating a surplus. By 1921 the association was transacting a business of nearly a quarter million dollars a year, and in 1928 the total business amounted to \$410,-964.

Outstanding capital stock is still a small item, being only about \$5,000, but the surplus has grown to more than \$40,000.

In 1928 the company made 583,228 pounds of butter and sold dairy products to the value of \$280,578. Sales of side lines, consisting of separators, feeds, fertilizers, coal, and other commodities, amounted to \$130,386.

The growth of this enterprise since 1921 is indicated by the following figures:

Year	Sales of dairy products	Sales of side lines	Total business
1921	\$227,868	-----	-----
1922	265,114	-----	-----
1923	302,215	\$ 13,115	\$315,330
1924	291,453	13,575	305,028
1925	334,145	62,394	396,539
1926	342,717	85,500	428,217
1927	340,589	109,970	450,559
1928	280,578	130,386	410,964

INCREASED BUSINESS BY CALIFORNIA COOPERATIVE

A larger number of cars than ever before were shipped by the California Fruit Exchange, Sacramento, in 1928. In 1925 the association broke all previous records by sending to market 11,934 cars. In 1926 the number was increased to 12,092 cars, in 1927 to 12,226 cars, and in 1928 to 13,-629 cars. The 1928 shipments were sent to 400 carlot markets in America and to several markets in foreign countries. A larger quantity of pears than in any previous season went to foreign markets.

This association was organized in 1901 as the California Fresh Fruit Exchange. The first year it shipped 237 cars of fruit with a sales value of about \$200,000. In 1907 the association was reorganized with its present name and present set-up. Its development since 1917 is indicated in part by the following figures:

Year	Cars shipped	Gross sales	Net returns	Refunds to growers	Supply sales
1917	3,339	\$ 4,504,809	\$ 2,647,699	\$135,529	-----
1918	4,129	7,234,241	4,403,304	305,155	-----
1919	5,056	10,127,039	6,302,324	477,059	-----
1920	5,596	13,473,801	8,666,178	673,690	-----
1921	6,281	12,680,295	6,952,475	507,211	-----
1922	8,560	12,935,832	8,280,069	517,433	-----
1923	10,935	17,173,124	10,629,060	667,688	\$2,017,938
1924	8,485	14,994,554	10,125,891	597,096	1,687,045
1925	11,934	17,282,258	10,237,690	682,876	2,103,154
1926	12,092	17,332,395	10,318,963	587,862	2,069,361
1927	12,226	19,225,663	-----	-----	1,806,385
1928	13,629	*20,000,000	-----	-----	2,078,305

\* Estimated.

Considerable attention has been given in recent years to improving the quality of the product offered for sale. More than a million dollars has been expended in packing houses and packing-house equipment. Trained inspectors have gone from packing house to packing house during the shipping season to insure a uniform pack for association products.

The association also serves its members in the capacity of a cooperative purchasing agency. Supply sales for 1928 amounted to \$2,078,-305. Among the supplies were 1,418 cars of shook and lumber, 212 cars of kegs, 41 cars of baskets, 22 cars of nails, and 22 cars of paper.

At the close of 1928 there was \$81,800 of outstanding share capital and withholdings repayable, a five-year revolving fund for operating capital of \$1,817,020. Current assets were 63.61 times current liabilities.

CALIFORNIA COOPERATIVE REDUCES OPERATING EXPENSES

Returns to members by the Duarte-Monrovia Citrus Association, Duarte, Calif., were larger for the 1927-28 season than for any recent year. The number of packed boxes marketed was 105,693, compared with 114,651 for the preceding season and 176,221 for the 1922-23 season. Average per-box returns to growers were \$4.08, compared with \$3.21 the next best season. Expenses per packed box were 57.57 cents, the lowest for any recent season.

Association activity since 1922 is indicated by the following figures compiled from the annual reports:

Marketing season	Field boxes received	Packed boxes	Returns to growers		Expense per packed box
			Total	Average per box	
1922-23	290,610	176,221	\$362,069	\$2.0540	(Cents) * 76.93
1923-24	182,144	92,880	127,532	1.3730	# 63.80
1924-25	187,710	83,735	269,430	3.2180	65.69
1925-26	150,688	86,945	215,808	2.4821	64.68
1926-27	208,147	114,651	291,539	2.5329	62.53
1927-28	175,736	105,693	431,683	4.0843	57.57

\* Cost for navel pool; cost for Valencia pool, 76.79 cents.

# Cost for navel pool; cost for Valencia pool, 69.08 cents.

The difference between the deduction for operating expenses and the cost of operating is refunded to the growers after the close of the shipping season. This refund for the last year amounted to 18.6 cents a box from the local association, and nearly 2 cents a box from the overhead selling agency.

Investments during the year were 4 cents a box in the Fruit Growers' Supply Company, and 1 cent a box in the Exchange Orange Products Company.

In addition to receiving, grading, packing, and shipping fruit, the association assisted its growers by fumigating 31,825 trees at an average cost of 37.8 cents a tree. Supplies to the value of \$31,871 were purchased for members. These included 2,760 heaters, 25,060 pounds of seed and 585 tons of fertilizer.

This association, which is a unit of the California Fruit Growers' Exchange, was organized in 1895 and is serving about 200 citrus growers. It has fixed assets of \$54,427, with outstanding capital stock of \$15,910. The association is entirely out of debt.

FRUIT ASSOCIATION ON THE HUDSON RIVER

More of its members' business was handled in 1928 by the Hudson River Fruit Exchange, Inc., Milton, N. Y., than ever before. Total sales were less than normal because of low prices, however, net earnings were satisfactory as the cost of operation had been kept down.

This association was formed in 1912 and serves more than 400 members in fruit-producing sections along the Hudson River. The principal products handled are berries, grapes, apples, cherries, currants, and tomatoes. Fruit-grower members are supplied with fruit packages, fertilizers, and other necessities.

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BEET GROWERS ENCOURAGING USE OF BEET SUGAR

The Mountain States Beet Growers' Marketing Association, Sterling, Colo., has started a campaign to increase the use of beet sugar in the nearby sections and thus increase returns to the growers. As payments to beet growers by the sugar company are made on the basis of net returns it follows that the size of the freight bills is an important matter to the growers. Every car of beet sugar shipped to Chicago and the East from this territory, means a freight charge of about \$300. The plan is to encourage the use of beet sugar in place of cane sugar throughout the producing section, and save the unnecessary expense of long hauls. Through the farm publications and other means the housewives of Colorado and Nebraska will be urged to use beet sugar instead of cane sugar. The plan is reported to be receiving enthusiastic endorsement.

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PRUNE AND APRICOT GROWERS A FEDERATION NOW

The reorganization of the California Prune and Apricot Growers, San Jose, Calif., is nearly completed. This association which was formerly a regional organization of the centralized type has been changed into a pure federation. The individuals constituting the membership of the old association, with other fruit growers, are being organized into local units which will be the legal members of the association in the future. Already about 30 units have been incorporated. These will select representatives who will constitute the functioning membership of the federation, and this membership will select a board of directors to assume the active direction of the enterprise.

Plans are being developed whereby the capital accumulated by the old association will be apportioned to those who participated in its accumulation in accordance with the equities of each.

A FARMERS' ELEVATOR IN ILLINOIS

Total sales of \$325,295 for 1928, are reported by the management of the Farmers' Grain Company of Charlotte, Ill. The items making up the total are: corn, \$254,215; oats, \$52,942; wheat and barley, \$11,645; coal, \$4,933; and seeds, \$1,509.

This association has a plant valued at \$18,460. At the close of 1928 there was outstanding share capital of \$17,150, also a surplus of \$12,480, including \$4,114 of 1928 earnings. The association has 102 shareholders and is furnishing marketing service for about 200 grain growers.

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OHIO EQUITY PAYS PATRONAGE DIVIDEND

Members of the Marshallville Equity Exchange, Marshallville, Ohio, received a six per cent patronage dividend on the 1928 business. The company operates an elevator and handles coal, flour and feed. Its sales during 1928 totaled \$137,802 and brought net earnings of \$8,102. The surplus fund is considerably in excess of the paid-in capital, the former being \$27,696, and the latter \$15,900, making a total net worth of \$43,596 with practically no current liabilities.

The Exchange was formed in 1920 with about 80 members, all of whom were farmers. One year ago it reported 500 patrons. Available figures for sales are as follows: 1921, \$100,000; 1922-23, \$120,000; 1924, grain, \$76,020, merchandise, \$77,859; 1925, \$174,978; 1927, \$175,000.

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CONSTRUCTION COMPANY FOR WHEAT ASSOCIATION

The Saskatchewan Wheat Pool Construction Company, Ltd., a subsidiary of the Saskatchewan Cooperative Wheat Producers, Ltd., Regina, has been formed for the purpose of building new elevators and repairing, demolishing and reconstructing old elevators.

At the beginning of 1928 the Saskatchewan Pool Elevators, Ltd., the subsidiary for owning and operating the association's elevator plants, had control of 727 elevators, including 16 leased houses. By the end of the year it controlled 974, including 18 leased plants, an increase of 247 elevators. This increase was made up of 75 purchased, 170 built, and 2 leased elevators. The plan for the present year includes 27 new elevators of 35,000 bushel capacity each; the erection of a second elevator of 45,000 bushel capacity at each of 31 points, and the re-building of 23 elevators. It is expected that by September of this year the Pool will be operating 1,050 elevators.

TEXAS COTTON ASSOCIATION MAKES CERTAIN CHANGES

Certain changes in its pooling system are announced by the Texas Farm Bureau Cotton Association, Dallas, for the coming delivery season. The seasonal pool will be divided into three "time pools," the first of which will extend from the beginning of the season until midnight, September 15; the second from September 15 to midnight, November 15; and the third from that date until the end of the season. Each will include all cotton shipped and on which the bills of lading are sent to the office between the specified dates. Only the seasonal pool cotton will be affected. The optional pool will be operated as heretofore for growers who prefer that plan.

By the adoption of this plan the management hopes to be able to pay members a larger percentage of the returns from sales early in the season, also to equalize distribution dates in line with shipping periods over various sections of the state.

The final decision of the directors to adopt the plan was unanimous, they having had the matter under consideration for several years.

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STAPLE COTTON ASSOCIATION REPORTS ON PROGRESS

Up to the tenth of April the Staple Cotton Association, Greenwood, Miss., had received in its pool option 116,041 bales of 1928 cotton; in the hedge option, 67,978 bales; and in the factor option, 46,299 bales, a total of 230,318, or nearly 100,000 bales more than last year when the figure was 135,121. From the factor option 42,260 bales had been sold, leaving 4,031 bales on hand. From the pool and hedge options 136,384 bales had been sold and 47,635 remained unsold.

The high grade and extra length cotton has been sold at satisfactory prices, and, while the association still has a rather large quantity of medium and low grade staples, the management expects to be able to dispose of it at satisfactory prices in time to make the final distribution before the new crop is ready for market.

The management calls attention to the fact that there is no accumulation of old cotton on hand. Since the first year the association has made a rule not to allow undesirable cotton to accumulate and be carried and inventoried from year to year. The only old cotton on hand is 963 bales of the 1926-27 crop. This is hedged and carried on an inventory basis of approximately 21 cents per pound. Nearly all of it is stored in the Carolinas or in New England and the freight has been paid to destination.

ILLINOIS EQUITY EXCHANGE HANDLES MANY EGGS

A rapid increase in the volume of eggs handled, is reported by the Illinois Equity Exchange Company, Effingham, Ill. During the week ending April 25, the Exchange shipped out five car loads of eggs, or 2,000 cases. This was the largest shipment so far for the organization. These eggs came from local members, local Equity exchanges, and local dealers. They were graded at the central plant and packed for shipment. A record was kept of each individual's eggs, also of the eggs sent in by local exchanges, in order that payment may be made by grade. Receipts included the eggs collected by the Equity creameries at Pana and Paris.

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EGG MARKETING BY THE LAND O'LAKES CREAMERIES

Four concentration stations are now being operated by the Land O'Lakes Creameries, Inc., in connection with their egg marketing program. These stations are located at Minneapolis, Duluth, Thief River Falls, and Winona.

Eggs are now being handled in weekly pools which run from Friday morning to Thursday night. All eggs received at a concentration point up to Thursday night are paid for not later than the following Wednesday. Three grades of eggs are recognized, namely, Land O'Lakes extras, Land O'Lakes standards, and No. 2s. There is a spread of about six cents a dozen between the top and bottom grades. According to the present marketing plan each farmer with eggs to market leaves his supply at the local creamery which forwards the deliveries of all the farmers to the central stations, where the eggs are graded, packed and forwarded to the consuming markets.

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IDAHO EGG ASSOCIATION REPORTS LARGER BUSINESS

The annual report of the Idaho Egg Producers, Caldwell, Idaho, shows 70,146 cases of eggs handled in 1928, with net sales of \$624,643. Sales of feed amounted to \$71,086, making the total sales \$695,730. These figures indicate an increase in quantity of eggs of 34.5 per cent and an increase of 102.9 per cent in feed sales over the business of 1927.

During the year the association distributed a patronage dividend of approximately one-half cent per dozen on all eggs shipped, a total of \$10,352, as well as paying a 6 per cent dividend on all paid up common stock. At present the directors are working out a plan for prorating to purchasers a percentage of earnings on the feed business.

This association was organized in 1924 as the Idaho-Oregon Egg Producers, changing to the present name in 1927. It has more than 900 members. Its real estate, building material and railroad spur are valued at \$6,179, and its fixtures, machinery, equipment, and trucks, at \$7,159. Paid-in capital stock amounts to \$33,060, the general reserve fund contains \$16,596, and the reserve for future operations amounts to \$22,094.

ASSOCIATION MAY SELECT MEMBERS

In the case of the La Salle County Farm Bureau v. Thompson, 245 Ill. App. 413, the court held that an association may make its own rules with reference to the admission and exclusion of members and that, pursuant to those rules, it may accept some as members while rejecting others. In this case the organization brought suit to recover unpaid dues and the court held that, as long as the membership agreement under which the member obtained membership was effective, the member was liable for dues unless the organization had consented to the withdrawal of the member.

L. S. Hulbert

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ASSOCIATION OBTAINS JUDGMENT AGAINST MEMBER

On March 19, 1929, the District Court of Appeals of California decided the case of the Milk Producers' Association v. Webb., 275 P. 1001. In this case a member of the association violated his marketing contract by selling milk outside the association, and the association brought suit for liquidated damages which were fixed in the contract at fifty cents "for each and every hundred pounds of milk which said seller shall fail to deliver less than the minimum amount of such milk herein agreed to be delivered," and the association recovered a judgment for \$2,294.48.

The member contended that when he violated his contract he automatically ceased to be a member of the association because a by-law of the association provided in effect "that, if any member ceases to comply with the terms of his produce sales agreement, his membership shall cease"; and the defendant urged that this resulted in a termination of the contract, thus relieving him from liability under the contract. The court refused to accept the views that the association had abandoned the contract or that a termination of the contract resulted by reason of the facts referred to.

Generally speaking, by-law provisions like that just referred to, can not be taken advantage of by the offending party because of the rule that no man is allowed to take advantage of his own wrong.

L. S. Hulbert

HISTORICAL SKETCHES, No. 8. EARLY FARMERS' ELEVATORS

Iowa farmers were among the first to feel the need of establishing their own facilities for handling grain. They built an elevator at Blairstown in 1867, one at Brooklyn in 1869, and a third at St. Ansgar in 1871. Within a decade 42 farmers' elevators sprang up in Iowa alone, with a number in Minnesota, Illinois and other states. Most of these were built under Grange influence, although the first companies antedated that organization. Nearly all had a brief existence and vanished when the Grange began to lose its hold on the farmers in the late seventies. While the elevators operated they handled considerable quantities of grain and it is generally believed they helped the farmers to secure better prices. One company formed in Minnesota in 1876 was still in operation in 1915.

A second elevator movement, beginning in the eighties and sponsored by the Farmers' Alliance, was precipitated by alleged injustice and unfair practices on the part of grain buyers, commission houses, and railroad companies. The farmers rebelled and held hundreds of meetings to plan for regulating railroads and for storing grain. One writer summarizes the results of their efforts in the following words: "They (the farmers) brought about the most wonderful reforms which have been secured by any country in any time. The different state railway and warehouse commissions, the Interstate Commerce Commission, the anti-trust legislation, and various other measures providing for popular government, are directly traceable to this movement."

In addition to efforts to secure protective and corrective legislation, the grain growers built a number of elevators and warehouses. They met with bitter opposition. The established dealers, who by this time had many houses, were ready to fight to hold the grain business. Dealers and railroad companies combined to drive out the farmers' companies, using both direct and indirect methods. Offering a few extra cents a bushel to draw trade from the farmers' elevators and thus put them out of business, was a common practice of private dealers.

To combat this, a farmers' company at Rockwell, Iowa, formed in 1889, devised the "maintenance clause" whereby every member paid to his company one-half cent per bushel on all grain sold either to his own company or to a competitor. This plan saved the Rockwell association and similar provisions later proved effective weapons for other farmers' associations in their bitter fight for the right to market their own grain.

Early in the present century the organized grain dealers gave the farmers' elevator movement a fresh impetus by boycotting commission firms which handled grain from farmers' companies. Certain commission firms in Chicago came to the rescue and the net result was a victory for the farmers' companies. They secured a more satisfactory status and gained strength by uniting in state-wide farmers grain-dealers' associations. By 1915 there were more than 2,000 farmers' elevators, and by 1920 more than 4,000. The post-war business depression put some out of business and the number is now estimated at about 4,000.

AN EDUCATIONAL TRIP

"A Jayhawker Tour" covering 5,500 miles, with stops to inspect some of the largest cooperatives in America, has been planned by certain Kansas publications, the Kansas State Agricultural College, and the Kansas Cooperative Wheat Marketing Association. The tourists are to start from Kansas City, August 11 and travel 14 days, stopping in Minnesota, North Dakota, Oregon, Washington, and Canada, to learn as much as possible about a large number of "big business" cooperatives, with opportunities for viewing the scenic beauties of the route.

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COOPERATIVE MARKETING SCHOOL IN SASKATCHEWAN

A cooperative marketing school is to be held at the University of Saskatchewan, Saskatoon, June 25-28 inclusive. The school is sponsored by the various pools in the province and by the Saskatchewan Section of the United Farmers of Canada. It has been planned in response to a demand for a short course in the principles and fundamentals of cooperative marketing.

Speakers well qualified to deal with the various phases of co-operation have been secured to give lectures.

The attendance is limited to 100. No more than six applications from each of the sixteen wheat pool districts will be accepted until all districts have been heard from.

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ESSAY CONTEST ON LIVESTOCK MARKETING

Farm boys and girls in the section tributary to the South St. Paul livestock market have recently been given an opportunity to compete in an essay contest sponsored by the Northwestern Cooperative Livestock Shippers Association and other marketing agencies. Five hundred dollars in cash prizes will be distributed to the winners, the first prize being \$125; the second, \$100; the third, \$75; down to \$10 for the tenth. The age limit is 18 years, and the limits of territory are Montana, North Dakota, South Dakota, Minnesota, Wisconsin, Iowa, and the Canadian provinces of Alberta, Saskatchewan, and Manitoba. May 1 was set for the closing date.

In order to help the young people find material for their essays, the committee in charge issued three booklets with the following titles: No. 1. Does the open competitive livestock market serve the producer efficiently under present day conditions? No. 2. Direct buying and its effect on terminal market price levels. No. 3. Current information on direct buying throughout the nation.

COOPERATIVES SERVE ESTHONIAN GOVERNMENT

Two cooperative associations in Estonia have been commissioned by the government of that country to purchase seed grain to be used in meeting the needs for planting in 1929. In addition to purchasing the seed the cooperatives are to attend to its distribution. Approximately \$266,700 was made available for the use of the cooperatives in carrying out the program. Up to the end of February 100 car loads of seed grain had been secured, most of which came from Germany.

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CENTRAL BANK OF PALESTINE SERVES COOPERATORS

The Central Bank of Cooperative Institutions in Palestine, Ltd., reports a decrease in the amount of business transacted during its sixth fiscal year, ending August 31, 1928. The amount advanced as short-term loans was £96,431 compared with £133,334 during the previous year, a decrease of about 27 per cent. These loans went to 54 clients in 44 centers, compared with 50 clients in 48 centers in 1926-27.

Two reasons are given for the smaller amount of business. Some of the credit societies need less credit, as they have established their own reserves. Other societies prefer to go without credit rather than submit to the supervision and control which the Central Bank considers necessary to safeguard its interests.

Outstanding loans of the bank amount to £107,261,265. Of this amount £33,268,694 represents the indebtedness of 24 credit societies, and £65,728,170 the indebtedness of 21 agricultural societies. These two items are 92 per cent of the total sum. Of 268 applications for loans during the year, 242 were granted, and the applicants received 89.5 per cent of the amounts requested.

In the six years of activity the Central Bank has advanced sums totaling £551,173,915, of which £327,909,540, or 59.5 per cent, was for agricultural purposes. The agricultural societies have met their obligations punctually and the bank has never had to write off any of their business.

Through the Palestine Economic Corporation, Inc., of New York City, the Palestine Bank has been able to offer loans repayable in from three to five years, for the purpose of developing vineyards and orange groves, the purchase of dairy stock and sheep, the erection of farm buildings, and similar purposes.

Cooperative societies are calling upon the Central Bank more and more to assist in matters of business practice, such as amending rules, interpreting regulations, preparing accounting records, and similar services.

BIBLIOGRAPHY ON CROP CONTROL BY GOVERNMENTS

Cooperators who are interested in the subject of government control of crop production will find references to all the essential literature on the subject in a bibliography entitled "Control of Production of Agricultural Products by Governments," compiled by Mrs. Annie M. Hanney of the Bureau of Agricultural Economics Library, U. S. Department of Agriculture. This bibliography was recently selected as the best of nine bibliographies entered in a biennial prize contest sponsored by the American Library Association.

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BOOK ON COOPERATION IN CZECHOSLOVAKIA

The Central Union of Agricultural Cooperatives in Prague issued at the time of its 30th anniversary a book entitled "Thirty Years of the Czech Agricultural Cooperative Work." The book contains 622 pages and is a source of information for agricultural cooperatives in the republic. Numerous diagrams and photographs of buildings, factories and storehouses, and of leaders in the cooperative movement, are used to illustrate the text.

On the first of January, 1928, there were 12 central cooperative agricultural associations representing 9,572 units. The products shipped in 1927 were equivalent to 142,000 railway wagons.

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IOWA'S LOCAL LIVESTOCK COOPERATIVES

"Local Cooperative Livestock Marketing Associations in Iowa Since 1920," is the title of Bulletin No. 254 of the Iowa Agricultural Experiment Station, by D. A. FitzGerald. As the title indicates, a study of the livestock cooperatives of the state was made in 1920 and the results published, and this work represents a follow-up survey made in the fall of 1925 and the spring of 1926. The information was collected through personal visits to a majority of the 697 local shipping associations of the state.

The threefold purpose of the survey is stated as follows: "First, to obtain a sectional view of the shipping association movement; second, to obtain a record of the growth since the previous survey in 1920; and, third, to obtain specific information regarding the problems with which the local associations have had to contend."

This information regarding the Iowa associations will be useful to managers of local shipping associations and also to livestock producers.

REPORTED BY THE ASSOCIATIONS

One hundred forty-two new members joined the Pacific Cooperative Wool Growers' Association, Portland, Oregon, during the month of March. These growers were from Oregon, Washington and Idaho.

Farmers in the vicinity of Jefferson, Wis., organized in 1927 the Jefferson County Farm Bureau Painting Service. The association rendered painting service to the value of \$4,000 in 1928. The membership consists of 24 farmers.

In an effort to improve conditions in milk marketing, secure better prices for milk, cream, butter, and casein, and safeguard dairy interests in general, the Argentine Shorthorn Association, Buenos Aires, has appealed to the 47 dairy cooperatives in the country to form a central organization.

Fruit sales by the Wenatchee-Okanogan Cooperative Federation, Wenatchee, Wash., amount to more than \$13,000,000 for the last five years. The sales for the several marketing seasons have been as follows: 1924-25, \$2,106,330; 1925-26, \$2,101,013; 1926-27, \$2,204,976; 1927-28, \$3,304,942; 1928-29, \$3,395,954. .

An organization known as the Canadian Cooperative Live Stock Producers, with headquarters at Toronto, was recently established by representatives of the livestock associations of the various provinces. The purpose of the federation is to link the provincial organizations together for a coast-to-coast marketing program based on a program for quality production.

A report from the Irish Associated Creameries, Limited, for the year ending December 31, 1928, shows sales of butter and stock on hand amounting to £2,569,099. The quantity of butter handled during the year amounted to 303,610 cwts. of 112 pounds each. The butter was sold in 156 towns of Great Britain and Ireland. Many of these were new markets for Irish creamery butter.

Two years ago Manitoba had 10 incorporated consumers' cooperatives, now there are more than 50, with others in process of formation, according to a recent report. New associations have recently been incorporated at six points. One association which started in southeastern Manitoba last spring with capital of only about \$100, transacted a business of more than \$20,000, with net earnings of \$1,200. The 40 members decided to leave the surplus with the association this year instead of paying either share or patronage dividends.

SELECTED LIST OF PUBLICATIONS AND ARTICLES

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Manwaring, C. L. More Egg Money. Farm Journal, Philadelphia, Pa., May, 1929, p. 16.

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